## Talbot County Economic Development Commission (EDC) Meeting Health Professions and Athletics Center, Chesapeake College, 1000 College Circle, Wye Mills, MD February 4, 2016 Meeting Minutes

Members Present: Chair, Timothy Jones; Ted Bautz; Peter Dunbar; Scott Beatty, Paul Makosky; Gerald O'Mara, Ron Engle,

Walter Chase.

Excused Absence: Vice Chair, Al Silverstein; Jean Weisman; and Jacqueline Wilson. Ex Officio Members Present: Andy Hollis, Clay Stamp and Cassandra Vanhooser Attendees: Dr. Viniar, Josh Bollinger, Debbie Bowden, Tracy Ward and Scott Warner

The director introduced Daraius Irani, Ph. D., Chief Economist, Regional Economic Studies Institute (RESI) at Towson University, who provided a slide presentation on the national and state economy titled, "The Monet Economy." The presentation illustrated trends and overviews of various economic indicators that will affect our local economy over the next year. Dr. Irani also discussed the employment forecast and occupation outlook.

Call to Order: Chair Jones called the meeting to order, with a quorum, at 8:45 a.m.

**Agenda and Minutes:** Correspondence was added to the February 2016 agenda and approved unanimously. The January 7, 2016 EDC meeting minutes were approved unanimously.

**Business Environment Committee (BEC):** Ted Bautz, Chair reported the January meeting was canceled due to inclement weather. The BEC will meet again on February 23, at 9:30 a.m., at the Talbot County Government Offices, located at 215 Bay Street, in the Conference Room. Brent Garner, Talbot County Manager of Permits and Inspections, will provide an overview of initiatives.

**Communications Committee (CC):** Cassandra Vanhooser has volunteered to serve as the Chair for the Communications Committee. Ms. Vanhooser reviewed the committee's goals and shared a plan to support public relations initiatives. The CC will meet again on February 16 at 8:30 at the Talbot County Government Offices, located at 215 Bay Street, in the Conference Room. The CC will leverage larger events like the upcoming April 22 Annual Business Appreciation Breakfast as opportunities to include the press. Josh Bollinger, reporter with the Star Democrat, was invited to the EDC meeting today to report on the presentation by Dr. Irani.

Correspondence: The director reported the OED drafted a letter of support from the EDC to the Maryland Department of Housing and Community Development for the Town of Trappe's application for Sustainable Certification. The OED received correspondence that Geoff Oxnam and Haim Loran have both resigned from the EDC. County Council appoints positions on the EDC. Chair Jones asked for suggestions regarding recommendations to the council for the vacancies. Industries that are prominent in the economy and not represented would include healthcare and manufacturing. Suggestions for nominations to be sent to council are welcome and should be directed to the OED for consideration at the March EDC meeting.

**Action Items:** Chair Jones reported modifications to the EDC agenda to focus on action items, and give the director an opportunity to present the work that has been accomplished each month. A Retention and Recruitment Report also to be presented.

- The first action item is approval of the Business Appreciation Breakfast for Friday, April 22 at 8:30 a.m. at the Elks Club. The event recognizes businesses for innovation, expansion and investment. The 2016 Annual Breakfast nominations include: Wildlife International, with a \$6 million investment, lease of additional 20,000 SF and the addition of 75 new employees over 5 years; Konsyl, for a \$750,000 expansion to their facility; the LEED Silver Certified McCord's Building, as an innovative project by the Eastern Shore Land Conservancy; and, Nagel Farm Services, for a several million dollar expansion of the grain storage facility at Wye Mills. The Tourism Board will recommend a nomination for a tourism award. The tourism award will be recommended by the Tourism Board. The Town of Trappe has recommended The Unicorn Book Store and St. Michaels nominated Ilene Morgan and Brad Fout for their work with the St. Michaels Midnight Madness promotion. Easton proffered the REMCO Development Company, responsible for the investment in Waterside Village for work in 2014. Richard Bernstein was not available to receive the award last year. Easton may nominate REMCO for this year. The Town of Oxford is considering Campbell's Boat Yard. Final summary of nominations to be provided for EDC consideration at the March meeting.
- The OED is drafting the proposed FY 17 budget. Talbot County has approximately 37, 000 people; 19,000 people are working; they generate \$180 million in income; the average worker makes about \$724.00 a week; and, there are approximately 1500 operating units in the county. The job of Economic Development is to leverage investment to create more businesses with more workers and/or higher wages. The county budget is about \$80 million, the OED commands about \$200,000 of which \$60,000 is set aside for operations; \$20,000 of those funds are identified to provide incentives for businesses. The Real Property Tax Credit is one such incentive. Another incentive, currently under consideration by the council is Brownfield's legislation, which would have real property tax abatement. In addition to the primary focus of business retention, the OED collaborated with the Office of Tourism to create the 2015 Economic Development Report and a new brand and public awareness campaign. Recent marketing and public awareness efforts include The Regional Maryland Eastern Shore publication; the back inside cover of The Daily Record Magazine, "Doing Business in Maryland, 2016 Outlook," placement in the Maryland Section of Site Magazine, March issue; and placement in the Talbot County Tourism Guide. The OED outlines several priorities for 2017 including wider website coverage, search engine optimization and social media presence. The OED is expanding the county presence in state activities including trade show participation. At the March EDC meeting, a final draft budget and marketing plan will be presented.
- The OED/EDC Quarterly Update to the County Council, scheduled for February 23 at 6:00 p.m. at their regular council meeting in the Bradley Room at the Court House will review recent activity. Chair Jones indicates he will be joining the director. Chair Jones asked County Manager, Mr. Hollis if he could report on the status of the budget. Mr. Hollis reported there is a decrease in the budget this year; incoming revenues, especially income tax revenues are down \$2 million from the projections, which will leave flat

funding. Chair Jones reported that the basis for OED/EDC's budget request is to recognize the value of economic development activities to the county economic base; that to expand the tax base requires a specific plan outlining how resources will be utilized to retain and expand our income revenues, as well as attract new businesses to the county.

A Retention Report for January 2016 circulated. The report includes work with companies and is to be kept confidential.

**Director Report:** The Maryland Manufacturing Extension Partnership (MDMEP) <a href="http://www.mdmep.org/">http://www.mdmep.org/</a> accompanied the director to 3 manufacturing companies in Easton to summarize the Boot Camp Program on January 15<sup>th</sup> and attracted participation for the program. Vice Chair, Al Silverstein accompanied. The boot camp provides instruction and skills appropriate on the manufacturing floor to people who are out of work. The program will begin in early April. The Maryland Department of Commerce reviewed their goals for regional development with the OED. The Department of Commerce will be restructuring finance programs to promote growth in rural areas. February 16 is Economic Development Day in Annapolis. Cecil County hosts a Bio-Medical Additive Manufacturing Symposium on March 4 in Elkton. Lois Haggerty is the Upper Shore Rural Business Initiative representative with TEDCO. The Finance Forum at the Academy Art Museum on January 28 was a success with 75 participants and several representatives' from local banks and finance programs.

Chair's Report: Chair Jones reported he met with Jennifer Williams after the Communications Committee meeting to discuss direction for the role of the EDC in advising the County Council. Chair Jones also visited with County Manager, Mr. Hollis and Assistant County Manager, Ms. Morris. The response from all three was to focus on the retention of existing businesses, support expansion projects and promote the assets and resources Talbot County has to offer the business community. The EDC, appointed by the County Council, supports the work of the OED. Chair Jones asked for feedback from the EDC members regarding the role and work of the EDC and areas for participation.

## **Town & Member Reports:**

**Dr. Barbara Viniar, President, Chesapeake College:** Welcomed everyone to the HPAC Building recently constructed on the Chesapeake College campus. Dr. Viniar reported the college is busy adding winter programs and winter sessions and responding to the 5-county workforce needs assessment conducted last spring. Dr. Viniar reported they will be honoring EDC member, and Shore Bancshares President, Scott Beatty at the Annual Pride of Peake Event, scheduled for April 28 at the college. Chair Jones, as VP Administrative Services, reported working with Mid Shore River Keepers to rebuild the outflow of the stormwater pond to a series of step pools, which will reduce the sediment flow into the Wye River by 90%. He also provided an update on the solar project underway, which will supply approximately 1/3 of the power needs for the entire college campus when it is complete.

**Peter Dunbar, Town of Oxford:** reported the Town of Oxford is conducting a feasibility study for the commercial district and options for uses of the Mews Building. The town acquired an acquisition grant, for the Mews. The study will outline options. Another façade grant awarded to Oxford will fund improvements to various businesses. These grants are available due to the Sustainable Communities Program certification with the MD Department of Housing and Community Development.

Cassandra Vanhooser, Office of Tourism: reported Restaurant Week April 3 through 9 in Talbot County will feature many participating restaurants with special pricing throughout the week. The Launch Party at the Tidewater Inn on April 3 from 2 p.m. to 4 p.m. will host 20 – 25 restaurants show casing their specialties. The food and beverage industry is a huge portion of the tourism product and the Office of Tourism hosts this promotional event. <a href="http://www.talbotrestaurantweek.com">http://www.talbotrestaurantweek.com</a>

Tracy Ward, Executive Director, Easton Economic Development Corporation (EEDC): reported the EEDC is working to get Chesapeake Harvest staffed and operational by June. Agricultural Tourism will provide an economic advantage to Talbot County and the region. There are not enough local farmers to meet the demands for diverse fruit and vegetable products for the mid Atlantic market. Chesapeake Harvest has 26 farmers committed to being a part of this network in the region and will encourage them to begin planting specific crops. Chesapeake Harvest identifies federal funds to purchase hoop houses to support production. Framers have requested 76 hoop houses be installed on their farms to support year-round production. The Town of Easton met with County Council to present the master plan concept for the redevelopment of Port Street. The Port Street Committee is finalizing a written document for input by March. A discussion ensued regarding safety issues on Port Street.

**Ted Bautz, Commercial Real Estate:** reported the commercial real estate market continues to trend upwards. Additional commercial properties are under contract or contingency, pending feasibility studies, as a first step in the development process. There is interest in the Carlton Business Park and the recently annexed Talbot Commerce Park, where water and sewer infrastructure is under construction.

Paul Makosky, Member at Large: No report.

Scott Warner, Executive Director, Mid Shore Regional Council (MSRC): reported Rural Maryland Day is scheduled for Thursday, February 11 in Annapolis, and is dedicated to briefing legislators on the importance of rural initiatives. "The Taste of the Eastern Shore" reception will be held that evening at 5:30 pm at the Lowes Hotel, showcases the region, and offers options for discussion of pending legislation with legislators. Current issues focus on future regulation affecting the poultry industry and oyster restoration. MSRC has come to the EDC, in the past, for support of the Rural Maryland Prosperity Investment Fund. This is money designated to support entrepreneurship, healthcare initiatives and infrastructure. The governor allocated money in the budget for Rural Maryland Council under the Department of Agriculture.

Walter Chase, Town of Trappe: reported the Town of Trappe filed their application to the Department of Housing and Community Development for Sustainable Community Program certification. The EDC did send a letter of support. An inspection of the water

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tower resulted in a \$350,000 estimate for repairs and sand blasting. The Trappe Town Council will begin drafting their 2016 Comprehensive Plan. The Town of Trappe meets on the first Wednesday of the month at 7 p.m.

Scott Beatty, Large Business: No report.

Gerald O'Mara, Agriculture: reported the Talbot County Corn Club celebrated their 64<sup>th</sup> year as the first and longest annual corn club meeting in the country. The Dean of Agriculture, Dr. Craig Beyrouty and the Secretary of Agriculture, Joseph Bartenfelder attended the dinner. The award for the highest corn yield reported 260 bushels to the acre. Ms. Vanhooser honored the corn club with a presentation. The Grain Marketing Workshop at Chesapeake College included presentations by Kevin McNew, President, Grain Hedge and Tim Frump, Vice President, Grain Merchandising, Perdue Agribusiness who discussed grain stores and the price/yield commodity relationships internationally. Mr. O'Mara reported there is a huge demand for grain. Growing vegetables is much more labor intensive. The unpredictability of the weather can dramatically affect the reserves as does the international markets, currency values and the price of oil.

**Ron Engle, Town of Easton:** reported BJ's at Waterside Village opened this week. The state will install a traffic signal at the entrance of Waterside Village from St. Michaels Road, Maryland Route 33. Additionally, the Marriott on Chapel Road is now open. During the Town Council Meeting on Monday, February 2<sup>nd</sup>, 3 lots in the Hill Project were purchased by the Town to create affordable housing. The Tidewater Inn is investing over \$1 million to renovate the kitchen and residential areas for the increasing demand. There is an annexation request from Orion Safety Products Headquarters, located on Maryland Route, just west of the entrance to Waterside Village and the Easton Village. There are concerns regarding additional traffic patterns, which the Town of Easton is addressing.

Mr. Bautz thanked Dr. Viniar for inviting the EDC to the college and the tour of the HPAC Building. Lucy Hughes, VP Development, Chesapeake College, hosted a tour of the HPAC building.

Motion to Adjourn was unanimously approved at 9:38 a.m.

## **Upcoming Economic Development Commission Meetings:**

March 3<sup>rd</sup> at the Talbot County Government Offices, 215 Bay Street, Easton; April 7<sup>th</sup> at the Talbot County Government Offices, 215 Bay Street, Easton; May 5<sup>th</sup> at the Talbot County Government Offices, 215 Bay Street, Easton; and June 2<sup>nd</sup> at the Talbot County Government Offices, 215 Bay Street, Easton. There will not be an EDC meeting scheduled in July due to the holiday.